

# Interstate Compact: Response To A Changing Market

By **Connie L. O'Connell**  
Commissioner of Insurance

Wisconsin is playing a leadership role in shaping an interstate compact, and in helping to streamline the regulation of life insurance across the country.

The United States – as our country's name indicates – holds high the concept that several entities banding together in a united purpose can create government that is more responsive to citizens' needs. Often the challenge has been to carefully balance local discretion with more distant, usually federal, oversight.

In the insurance regulation sector, the question is how to build on the advantages of state regulation while

creating more uniformity that would benefit consumers and the insurance industry. Recently, an alternative gaining support across the country is a compact being developed by the National Association of Insurance Commissioners that would reorder the life insurance market in the U.S.

## The life insurance industry

The passage of Gramm-Leach-Bliley into federal law has provided the impetus and opportunity to evaluate the state insurance regulatory process for policy form approval. Banks and securities firms have historically offered products in some cases similar to those offered by life insurers. The federal regulatory process

for products is significantly different than the state insurance regulatory process. Throughout the United States, many life insurance products are fairly uniform in nature, but the state laws and the state product filing requirements that regulate them are not.

If you sell life insurance, you may realize the evolution towards primarily investment products has highlighted the amount of process time that comes with some areas a state-by-state system of product approval. While competition from depository institutions and securities firms increases, it seems appropriate to have a look at how we

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## Interstate Compact...

process and review long-term care insurance, life insurance and annuity products.

## The Interstate Compact

The Interstate Compact proposal recognizes the need to regulate life insurance products differently today than in the past. The world is changing and the financial services market is also changing. Many insurance regulators now agree that we need to more effectively regulate the system, because of the increase in cross-selling of banking, insurance and other financial products occurring today in the financial services industry.

An interstate compact is an agreement

between states that must be passed by the state legislature and signed by the governor to become law in each participating state. There is, for example, a compact in effect now between all fifty states that covers state driver's licenses. If you're carrying a Wisconsin driver's license when you are pulled over in Kansas, that state's police consider your license valid because of a compact both states have signed.

This Interstate Compact being proposed by the NAIC offers some flexibility for states because they can decline to participate, opt out of certain portions of the compact, or withdraw later should the agreement prove not to be beneficial. Each state's legislature must approve participation in an interstate compact and can, for example, request annual reports on the compact's progress from its

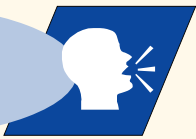
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governing body.

After enough states approve a compact, a commission must be formed to carry out its charge. Part of our discussions in the NAIC Interstate Compact Working Group – of which I am vice chairperson – is negotiation about how to form such a commission. Like everyone else, states

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## Wisconsin's Agent Testing & Continuing Education Administrator Has New Name

Assessment Systems, Inc. (ASI) has a new name. Promissor, Inc., a Houghton Mifflin Company, was formed by combining Computer Adaptive Technologies (CAT) and Assessment Systems, Inc. (ASI). Telephone numbers remain the same, however the Web site address has changed to [www.promissor.com](http://www.promissor.com).

## Publications Updated

The OCI has recently updated the following publications:

Consumer's Guide to Auto Insurance [http://www.oci.wi.gov/pub\\_list/pi-057.htm](http://www.oci.wi.gov/pub_list/pi-057.htm)

Consumer's Guide to Homeowner's Insurance [http://www.oci.wi.gov/pub\\_list/pi-015.htm](http://www.oci.wi.gov/pub_list/pi-015.htm)

Consumer's Guide to Managed Care Plans [http://www.oci.wi.gov/pub\\_list/pi-044.htm](http://www.oci.wi.gov/pub_list/pi-044.htm)

Fact on Continuation and Conversion in Health Insurance Policies [http://www.oci.wi.gov/pub\\_list/pi-023.htm](http://www.oci.wi.gov/pub_list/pi-023.htm)

Fact Sheet on Mandated Benefits in Health Insurance Policies [http://www.oci.wi.gov/pub\\_list/pi-019.htm](http://www.oci.wi.gov/pub_list/pi-019.htm)

Health Insurance Coverage in Wisconsin [http://www.oci.wi.gov/pub\\_list/pi-094.htm](http://www.oci.wi.gov/pub_list/pi-094.htm)

Insurance Complaints and Administrative Actions [http://www.oci.wi.gov/pub\\_list/pi-030.htm](http://www.oci.wi.gov/pub_list/pi-030.htm)

These publications are available on-line at **oci.wi.gov**. All materials may be copied without permission.

You may obtain one copy of each publication free by calling Julie Blaney at (608) 267-4397 or send e-mail to the OCI at [publications@oci.state.wi.us](mailto:publications@oci.state.wi.us).

## We Repeat: Health Insurance Risk Sharing Plan Is Updated

A new HIRSP Outline of Coverage is now available. Agents are strongly encouraged to review the new outline prior to providing clients with assistance and information about the HIRSP

program. Agents should discontinue using and discard all old copies (dated 5/99) of the HIRSP Outline of Coverage.

Agents may obtain copies of the Outline of Coverage by:

- Calling HIRSP Customer Service at (800) 828-4777 or (608) 221-4551.
- Sending a request to HIRSP by fax to (608) 226-8770 or by mail to HIRSP, 6406 Bridge Rd Ste 18, Madison WI 53784-0018.
- Downloading a copy from the HIRSP Web site at [www.dhfs.state.wi.us/hirsp/](http://www.dhfs.state.wi.us/hirsp/). In addition, you may download from the Web site copies of HIRSP's premium rate tables, application forms, and other information.

W. I. N.

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## Sending Form and Rate Filings By Electronic Mail

The OCI is receiving requests from insurers to accept policy form and rate filings via e-mail. The OCI requests that insurers use SERFF (System for Electronic Rate and Form Filing) if they wish to submit electronic filings to the OCI. SERFF is an electronic mail communication and tracking system developed by a consortium of state regulators and insurers. The current version requires only an internet browser and offers insurers much quicker turnaround time on filings. Insurers are able to verify receipt and check on the status of filings.

Wisconsin is accepting rate and form filings in all lines of business through

SERFF. There are currently 30 states accepting filings in all lines of insurance and 50 states accepting filings in at least one line of insurance. Insurers interested in learning more about how to participate in SERFF can visit the Web site at [www.serffcentral.com](http://www.serffcentral.com). OCI staff members are available to meet with

insurers interested in learning more about SERFF. Insurers can contact Susan Ezalarab at [sue.ezalarab@oci.state.wi.us](mailto:sue.ezalarab@oci.state.wi.us).

Starting with the Summer 2002 issue, *Wisconsin Insurance News* is being produced in a horizontal format to make it easier to read on a computer monitor. Please send comments or suggestions regarding layout or content to the editor at [information@oci.state.wi.us](mailto:information@oci.state.wi.us)



# Autumn 2002 Continuing Education Update for Insurance Agents

## *Continuing Education Compliance Period Deadline Drawing Near*

**Agents who have completed their requirements by November 2002 will be receiving a new license in the mail identifying a CE date of February 15, 2005. Agents not in compliance will receive a transcript identifying the courses completed and the total number of credits needed to avoid license suspension or subsequent revocation. As agents come into compliance through April 16, 2003, new licenses will be provided.**

### Continuing Education

#### Basic Requirements

All agents who hold a license in any of the major lines of property, casualty, personal lines P&C, life, accident and health insurance, or the limited line of automobile, must meet the continuing education requirements. **Course credits may be completed at any time during the two-year period.**

The 2001-2003 reporting period began January 1, 2001. Agents originally licensed **prior** to January 1, 2001, in the lines identified above are required to complete 24 continuing education credit

hours between January 1, 2001 and February 15, 2003. Agents originally licensed **after** January 1, 2001, are required to complete the requirements between January 1, 2003 and February 15, 2005. Each agent's reporting period is identified on his or her individual license copy. Carryover of credits from one reporting period to another is not allowed.

**Reminder: If you completed your requirements prior to January 1, 2001 for the 1999-2001 reporting period, classes you completed between January 1 and April 16,**

**2001 have been banked for the 2001-2003 reporting period.**

A list of approved providers and courses is available at Promissor's Web site through a link at OCI's Web site by logging on to [oci.wi.gov](http://oci.wi.gov), then click on "Agent" followed by "Continuing Education for Insurance Agents." Or, you can log on directly to [www.promissor.com](http://www.promissor.com).

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### C.E. Update...

#### Internet and FaxBack Transcripts Available from Promissor (formerly ASI)

Promissor has two ways to assist agents in determining their progress toward meeting the continuing education requirements. To request your most current Licensee Continuing Education Transcript, you can use either of the following options:

Log on to [www.promissor.com](http://www.promissor.com). Select "Testing Services," then "Insurance" followed by "Wisconsin Insurance." Under Continuing Education Services, click on "Licensee Course Transcript," and enter your Wisconsin license number or

social security number and last name. You will be able to view and also print your transcript.

Call Promissor's Transcript FaxBack System toll-free at (877) 687-8886. You will be required to provide your Wisconsin license number. Once the license number is verified, your latest transcript will be transmitted to the fax number of your choice.

The transcript will permit you to take any action that is necessary to add, delete, or change information that is inaccurate. To correct credit discrepancies, agents are required to contact their continuing education provider(s) directly. These discrepancies can only be resolved between the agent, the provider and Promissor.

#### Resident Requests for Waivers from Continuing Education Requirements Due by November 1, 2002

Section Ins 28.05, Wis. Admin. Code identifies that continuing education requirements may be waived in writing by the commissioner for good cause shown. "Good cause" includes long-term illness or incapacity, serving full-time in the armed forces of the United States of America on active duty outside of the state of Wisconsin during a substantial part of the biennium, and other emergency situations deemed appropriate by the Commissioner. Requests for waivers by resident licensees of continuing education requirements shall be made in writing in a form and manner prescribed by the

Commissioner, and shall be submitted to the Commissioner no later than 90 days prior to the end of the biennium for which such waiver is requested. Any waiver granted pursuant to this section shall be valid only for the biennium for which waiver application was made.

Therefore, in order to qualify for a waiver for the 2003-2005 reporting period, a completed waiver form, including any required documentation, must be received no later than November 1, 2002. You can receive a waiver form by contacting Promissor at (800) 274-4679.

#### Who to Call

Contact Promissor for answers to general questions, to gain information on course availability, and to confirm if credits have been banked in an agent's individual



# ...Interstate Compact Will Change the U.S. Life Insurance Market....

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must trust each other for compacts to work, and insurance regulators have been working with their colleagues in the National Conference of Insurance Legislators (NCOIL) and the National Conference of State Legislators (NCSL) to create the right atmosphere.

The insurance departments of ten states have been directly involved in the NAIC's efforts to create a more efficient regulatory structure for life insurance products in the U.S.: California, Colorado, Florida, Michigan, New York, Ohio, Pennsylvania, South Carolina, Texas and Wisconsin. However, even if these states are enthusiastic about a compact to make

a uniform system of regulation, a wide base of support must emerge to take the compact from theory to practice.

Regulatory rules vary from state to state and insurance products can still be filed on a state-by-state basis whether or not the Interstate Compact takes effect. For example, there are companies that may only want to do business in Wisconsin and could logically forego the compact system to file a new life insurance product directly with the OCI.

## CARFRA

If you have been following the progress of state cooperation over uniform standards and review of insurance products, you may remember the

CARFRA acronym. The Coordinated Advertising Rate and Form Review Authority was formed to achieve much the same goal as the Interstate Compact and functions now among 22 states. Wisconsin is one of those states.

Whether or not an Interstate Compact is formed soon, CARFRA is in place and continues to function. So why do we need an Interstate Compact?

While CARFRA has started to help speed new insurance products to consumers and give insurers a single point of entry to file their insurance products, it is not enough. The question of individual state deviations and non-conformity among states has limited CARFRA's effect. Those of us working on the compact idea now

believe it is more efficient to create a more comprehensive approach that may be more attractive to more states.

## Results

Wisconsin is at the table. Our participation demonstrates we are and intend to be significant players in developing standards for insurance products.

The compact is capable of being good for consumers, regulators and the competitive ability of the industry. I plan to keep everyone informed as we work to modernize insurance regulation for the benefit of everyone, insurance consumers, insurance companies and insurance agents.

## C.E. Update...

record. They may be reached at (800) 274-4679. **Reminder: Dial the (800) prefix whenever using this number.** You may also fax your request for continuing education information to Promissor at (610) 617-0927.

## On-Line Licensing And Letters Of Certification Available

As part of our on-going initiatives to automate our licensing processes, we are now able to offer the following services over the Internet.

**Nonresidents** can now apply electronically in Wisconsin. Anyone wishing to apply using this option can log on to [www.sircon.com](http://www.sircon.com) and simply follow the prompts. These applications

are generally processed within 5 working days.

**Residents** can order home state letters of certification by logging onto [www.sircon.com](http://www.sircon.com). Certifications are printed immediately after they are ordered and dropped in the mail the same business day.

## Change Of Resident Address

If you have a **resident** address change, please notify the Agent Licensing Section in writing at **P.O. Box 7872, Madison, Wisconsin 53707-7872**, by fax at **(608) 264-8115**, or by e-mail at [agentlicensing@oci.state.wi.us](mailto:agentlicensing@oci.state.wi.us). Telephone requests for change of address are not accepted.

## Reminder To Licensed Intermediaries

All licensed insurance intermediaries are required by Ins. 6.61(16), Wis. Admin. Code, to report formal disciplinary actions to the OCI.

Section Ins 6.61 Intermediary Records reads as follows:

*(16) NOTIFICATION OF CONVICTION OR DISCIPLINARY ACTION. Except for action taken by the Wisconsin Office of the Commissioner of Insurance, each intermediary shall notify the commissioner in writing within 30 days of any felony conviction, misdemeanor conviction other than a misdemeanor conviction related to the use of a motor vehicle or the violation of a fish and game regulation, or any formal disciplinary*

*action against the intermediary taken by any state's insurance regulatory agency, commission or board or other regulatory agency which licenses the person for any occupational activity. The notification shall give a description of the conviction or disciplinary action.*

Remember, if a regulating agency takes a disciplinary action against you, the action must be reported to comply with the above law. The requirement does not indicate guilt or innocence, at fault or not, only that a disciplinary action has been taken. Recently, the OCI has taken action against licensed intermediaries who thought that since they stipulated to an action without admitting wrongdoing, the matter did not need to be reported. **If an action is not reported, the agent is not in compliance with the code.**

## Agent Questions



**Q.** Very disgusted to find out that you terminated the opportunity to gain CE online. Gee, 48 states allow it and WI used to..... nothing like going backward! Wonder who's pockets got lined this time. Disappointed, long-time agent having a HARD TIME finding local courses.

**A.** Actually, we have not reversed a previous decision regarding self-study. The rules require classroom courses except for those recognized programs of study leading to and maintaining any of the following designations identified in

s. Ins 28.09, Wis. Adm. Code: ChFC, CIC, CPCU, RHU, CLU, LUTCF, CFP, CEBS, FLMI, REBC, HIA, AIC, ARM, AU, CLTC, RPLU, CISR, ALCM and FIC.

In January, the rule was modified to include s. Ins 28.07(4) that identifies no credit will be given to an intermediary (agent) for completion of a course that is certified for self study to maintain a designation identified in 28.09 unless the provider certifies that the agent holds that designation. (Example: if a self-study CFP maintenance course is offered, persons who hold the CFP designation can obtain CE credit)

There are currently over 500 approved providers and well over 5,000 approved courses available to agents. Feel free to log on to [www.promissor.com](http://www.promissor.com) to view the list of courses available. Please contact

the providers directly to obtain course schedules.

I hope this answers your concerns. If you have further questions, please advise.

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**Q.** Hi! I am wondering what the appropriate license is for a limited lines producer. I've looked on the web site, but am not sure which one I need. Any help would be appreciated. Thanks!

**A.** We have three limited-line qualifications available. Credit, Title and Legal Expense. Please provide me with specific information on the type of insurance you plan to solicit, and I can inform you what license you will require.

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**Q.** Good Afternoon. I am a senior at the University of California, Irvine, and I am considering a Wisconsin university for graduate school. I currently hold a resident license in California (life and health, #0000000) and a non-resident license in Wisconsin (#00000000). What would be the procedure for acquiring a resident license in Wisconsin?

**A.** You may qualify for an exemption from the prelicensing education and product knowledge portion of the examination. Please provide your name and mailing address and we will drop a Candidate Handbook in the mail to you.

## Inger Williams: If We've Filed It, She'll Find It.

By Kyle Richmond  
OCI Public Information

Inger Williams is Central Files Coordinator for the OCI. She keeps track of records, hunts down documents with very few leads, and delivers them to the right people.

"Research is about 50 percent of my time," Williams said. "It doesn't sound like a big job...it sounds easy, but it's difficult because people don't request information the way databases are set up to tract the data."

It often involves looking for pieces of things: policies, applications, riders, endorsements and rates. For example, a policy approved in 1994 and sold in 1997 may have to include all

amendments and changes that occurred in between.

"A lot of requests are astronomical...one guy's on his fourth trip back...about 800 files and 40 lawyer hours," she said.

For some people, Williams is the public face of the OCI. She would recognize repeat customers – 40 percent of her clients – at the grocery store, she said. Out-of-state clients make up another 20 percent. Most calls come from insurers who are checking out other insurers' rates. And other states' insurance departments often call her to see if an insurer has filed for an extension, research legal actions on agents, or get the timeframes of company filings.

"They just want it done. They don't care

how I do it," Williams said. "People often request a document they need that day or the next day. If the trial is at 1:30 in the afternoon, they really should have been here before 10:30 in the morning to get the documents."

When the agency moves at the end of the year, the claustrophobic Central Files area will have more space, better security and no more foot traffic passing through. "And I get a window!" Williams added. Now the OCI is switching its databases and they must be cross-referenced. Since providing data is her job, Williams feels strongly about databases.

"I was using the Wang (system) until they

shoved it off the rooftop," she laughed. "I was hanging on with my teeth until the last moment."

Before coming to the OCI three years ago, she worked for the Postal Service, in private business, and as a "mom/go-fer" for the Rio Community Schools (300 students) where she did everything from tutoring to custodial work. So how does she like her job now?

"Oh, I love it. My pet peeve is people who put things back in the wrong file or upside down."

## Eye on OCI



## Administrative Actions



In many of the proceedings listed below, the Respondent denied the allegations but consented to the actions. Detailed information regarding the proceedings is available from the OCI Legal Unit. The following are actions completed from April through June 2002.

### Agents

**Jimmy L. Covington**

6810 N. Barien St. Apt. 4, Milwaukee, WI 53209

Has had his application for an insurance license denied. This action was based on allegations of a criminal conviction substantially related to insurance

marketing type conduct. May 2002

**Robert Edward Haley**

6801 Rivulet, San Antonio, TX 78239

Has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI regarding child support arrearage. April 2002

**Anna T. Harbort**

1983 N. Summit Ave. # B-1, Milwaukee, WI 53202

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. June 2002

**Robert Thomas Heusinkveld**

5508 Cavendish Cir., Plano, TX 75093

Has had his application for an insurance license denied for 31 days. This action

was based on allegations of failing to disclose administrative actions taken by the states of Virginia, Texas and Georgia on an insurance license application. April 2002

**Vernon F. Hickman**

10315 Within Heights Dr., Bakersville, CA 93311

Has had his application for an insurance license denied for 31 days. This action was based on allegations of failing to disclose 1995 state of Illinois administrative action for failing to pay taxes. May 2002

**Dennis H. Hoelzel**

W5861 Manitowoc Rd., Appleton, WI 54915

Was ordered to pay a forfeiture of \$5,000.00 and has had his insurance license revoked. This action was based

on allegations of assisting an unauthorized insurer and making false or misleading statements to OCI. April 2002

**Amy S. Imhoff**

130 Kent St., Wausau, WI 54403

Has had her application for an insurance license denied. This action was based on allegations of a criminal conviction substantially related to insurance marketing type conduct and nonresponse to OCI request for information. May 2002

**Linda Y. Kearney**

13984 Settlement Acres Dr., Brook Park, OH 44142

Has had her application for an insurance license denied for 31 days. This action was based on allegations of failing to

Continued below in the left column

disclose administrative action taken by the state of Florida on an insurance license application. April 2002

**Cynthia A. Macklin**

8030 S. Champlain Apt. 1, Chicago, IL 60619

Has had her application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI regarding overdue monies due to an insurer, insured, or producer. April 2002

**Herschell Edward Manning**

90 Yale Ave., Frostproof, FL 33843

Has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI to a Florida administrative action, child support obligations, judgments for overdue

monies, and information about lawsuits. April 2002

**Jeffrey P. Murphy**

6320 Monona Dr. # 206A, Madison, WI 53716

Has had his insurance license revoked. This action was based on allegations of theft from customers and utilizing premiums for own use. May 2002

**Rolland E. Nielson**

14010 W. Park Ave., New Berlin, WI 53151

Paid a forfeiture of \$1,000.00. This action was based on allegations of doing business as Aim Institute of Money Management, American Finance, and Tax & Investment Advisory, licensed in securities with Innovative Securities Inc, selling viaticals to 11 persons, receiving an order from Wisconsin Division of

Securities Department of Financial Institutions (DFI) on January 18, 2001, and failing to report this action to OCI. April 2002

**Dianna Dale Poindexter**

RR 1 Box 502, East Lynn, WV 25512

Has had her application for an insurance license denied. This action was based on allegations of failing to disclose administrative actions taken by Iowa on an insurance license application and nonresponse to OCI's request for information. April 2002

**Carol V. Preszler**

127131 W. Bridge Rd., Aberdeen, SD 57401

Was ordered to pay a forfeiture of \$250.00 and has had her insurance license revoked. This action was based on allegations of failing to report an

administrative action taken by Mississippi. Preszler did not appear at the hearing or prehearing. June 2002

**Latosha C. Skinner**

7847 S. Yale Ave. # D, Tulsa, OK 74136

Has had her application for an insurance license denied. This action was based on allegations of a criminal conviction substantially related to insurance marketing type conduct. May 2002

**Gerald E. Sonneson**

N2873 County B, Kewaunee, WI 54216

Has had his license suspended for 180 days. This action was based on allegations of failing to report two Wisconsin DFI administrative orders to OCI, selling unregistered securities of Capital Acquisitions, Inc. (promissory

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notes), PCO, Inc. (viatical settlements), LASCO (promissory notes), and Inrock (promissory notes), and assisting an unauthorized insurer, New England International Surety, totaling \$700,000. All investments failed or were frauds. Sonneson invested and lost his own money in LASCO with his compensation being sales commissions. He was also sued by some customers. May 2002

#### **Robert J. Stellflue**

6054 Blaska Dr., Sun Prairie, WI 53590  
Paid a forfeiture of \$250.00 and has had his license suspended for 14 days. This action was based on allegations of failing to accurately and fully respond to inquiries from OCI. May 2002

#### **Lawrence L. Ventresca**

3627 N. Pacific Ave., Chicago, IL 60634  
Has had his application for an insurance license denied for 31 days. This action was based on allegations of failing to disclose administrative action taken by the state of Illinois on an insurance license application. April 2002

#### **Terry E. Wiseman**

637 10th Ct., Onalaska, WI 54650  
Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. May 2002

### **Companies**

#### **AMEX Assurance Company**

3500 Packerland Dr., DePere, WI 54115  
Paid a forfeiture of \$500.00 and was

ordered to cease and desist from issuing nonrenewal notices less than 60 days prior to the renewal date. This action was based on allegations of issuing an improper nonrenewal of an insurance policy. April 2002

#### **Aon Innovative Solutions**

1000 Milwaukee Ave., Glenview, IL 60025  
Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. April 2002

#### **Commercial Union Insurance Company**

One Beacon St., Boston, MA 02108  
Paid a forfeiture of \$500.00 and was ordered to cease and desist from accepting business from agents until they have been properly appointed. This

action was based on allegations of allowing an agent to submit applications prior to appointing the agent. June 2002

#### **Continental Casualty Company**

CNA Plaza, Chicago, IL 60685  
Paid a forfeiture of \$4,000.00 and was ordered to provide the information requested and to promptly reply in the future to information requests from the commissioner. This action was based on allegations of failing to respond promptly to inquiries from OCI. June 2002

#### **Continental Casualty Company**

CNA Plaza, 333 S. Wabash, Chicago, IL 60685  
Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on

Continued below in the left column

allegations of failing to respond promptly to inquiries from OCI. April 2002

#### **Economy Premier Assurance Company**

385 Washington St., St. Paul, MN 55102  
Paid a forfeiture of \$1,000.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. April 2002

#### **GEICO Casualty Company**

One GEICO Plaza, Washington, DC 20076  
Agreed to pay a forfeiture of \$4,000.00 and agreed to accept applications only from properly appointed agents. This action was based on allegations of allowing agents to submit applications prior to appointing the agent. June 2002

#### **GEICO General Insurance Company**

One GEICO Plaza, Washington, DC 20076  
Agreed to pay a forfeiture of \$10,000.00 and agreed to accept applications only from properly appointed agents. This action was based on allegations of allowing agents to submit applications prior to appointing the agent. June 2002

#### **GEICO Indemnity Insurance Company**

One GEICO Plaza, Washington, DC 20076  
Agreed to pay a forfeiture of \$2,000.00 and agreed to accept applications only from properly appointed agents. This action was based on allegations of allowing agents to submit applications prior to appointing the agent. June 2002

#### **General Electric Capital Assurance Company**

P.O. Box 320, Lynchburg, VA 24505

Paid a forfeiture of \$1,500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. April 2002

#### **General Insurance Company of America**

P.O. Box 34920, Seattle, WA 98124  
Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action was based on allegations of allowing an agent to submit applications prior to appointing the agent. May 2002

#### **Globe American Casualty Company**

350 E. 96th St., Indianapolis, IN 46206  
Was ordered to cease and desist from returning a premium that is less than the pro rata unearned premium without

providing proper notice to policyholders. This action was based on allegations of issuing an improper refund for an insurance policy. May 2002

#### **Government Employees Insurance Company**

One GEICO Plaza, Washington, DC 20076,  
Agreed to pay a forfeiture of \$1,000.00 and agreed to accept applications only from properly appointed agents. This action was based on allegations of allowing agents to submit applications prior to appointing the agent. June 2002

#### **Great American Insurance Company**

580 Walnut St. 10th Fl., Cincinnati, OH 45202

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Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. April 2002

**Ideal Electronics of Wisconsin, Inc.**

621 Ridgeway Dr., Hartland, WI 53029  
Was ordered to cease and desist from issuing warranties in Wisconsin until it has obtained a limited certificate of authority to solicit warranty business. This action was based on allegations of doing an insurance business without proper authority. June 2002

**Kenosha County Mutual Insurance Company**

P.O. Box 115, Bristol, WI 53104

Paid a forfeiture of \$500.00 and was ordered to cease and desist from nonrenewing policies unless a proper nonrenewal notice is sent at least 60 days prior to the expiration date. This action was based on allegations of issuing an improper nonrenewal of an insurance policy. May 2002

**Lincoln Heritage Life Insurance Company**

4343 E. Camelback Rd., Phoenix, AZ 85018

Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action was based on allegations of allowing an agent to submit applications prior to appointing the agent. May 2002

**Massachusetts Mutual Life Insurance Company**

1295 State St., Springfield, MA 01111

Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. April 2002

**Metropolitan Property and Casualty Insurance Company**

P.O. Box 350, Warwick, RI 02887

Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of intermediary agent who is not properly listed. This action was based on allegations of allowing an agent to submit applications prior to appointing the agent. April 2002

**MONY Life Insurance Company of America**

1740 Broadway, New York, NY 10019

Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. April 2002

**Native American Insurance Company, Inc. N\K\A Native American Mutual Insurance**

897 Chelsea Rd., Poplar, MT 59255

Was ordered to cease and desist from soliciting any investment, contribution, or subscription until an organization permit is obtained from the commissioner. This action was based on

Continued below in the left column

allegations of doing an insurance business without proper authority. June 2002

**Old Republic Insurance Company**

P.O. Box 789, Greensboro, PA 15601

Paid a forfeiture of \$1,000.00 and was ordered to provide the information requested and promptly reply to all inquiries from the commissioner. This action was based on allegations of failing to respond promptly to inquiries from OCI. May 2002

**OneBeacon Midwest Insurance Company**

One Beacon St., Boston, MA 02108

Paid a forfeiture of \$500.00 and was ordered to cease and desist from accepting business from agents until they have been properly appointed. This action was based on allegations of

allowing an agent to submit applications prior to appointing the agent. June 2002

**Progressive Casualty Insurance Company**

6300 Wilson Mills Rd. W33, Mayfield Village, OH 44143

Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. May 2002

**Royal Indemnity Insurance Company**

P.O. Box 1000, Charlotte, NC 28201

Paid a forfeiture of \$5,000.00 and was ordered to continue the policy issued to Gorman & Company, Inc. because of an improper cancellation notice and to provide the information requested. This action was based on allegations of issuing

improper mid-term cancellations of an insurance policy and failing to promptly respond to request for information. May 2002

**Shell Motorist Club, Inc.**

P.O. Box 8610, Elmhurst, IL 60126

Paid a forfeiture of \$500.00 and was ordered to provide the information requested and respond promptly to all future inquiries. This action was based on allegations of failing to respond promptly to inquiries from OCI. May 2002

**Travelers Life and Annuity Company, The**

1 Tower Square, Hartford, CT 06183

Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action was based on allegations of allowing an

agent to submit applications prior to appointing the agent. April 2002

**Tridell Financial, Inc.**

400 N. Central Ave., Ste. # 104, Phoenix, AZ 85004

Was ordered to cease and desist from advertising, doing, or purporting to do, an insurance business in Wisconsin unless it obtains a certificate of authority. This action was based on allegations of doing an insurance business without proper authority. May 2002

**Ultimate Warranty Corporation**

21360 Center Ridge Rd., Rocky River, OH 44116

Paid a forfeiture of \$7,500.00 and was ordered to cease and desist from issuing vehicle service contracts in Wisconsin



until it has obtained proper authority to solicit warranty business. This action was based on allegations of doing insurance business without proper authority and failure to respond to request for information. June 2002

### **United Wisconsin Insurance Company**

P.O. Box 2013, Milwaukee, WI 53201  
Paid a forfeiture of \$500.00 and was ordered to cease and desist from canceling worker's compensation policies mid-term unless the reason for cancellation falls within one of the acceptable grounds set forth in Ins 21, Wis. Adm. Code, and is accurately stated in the notice. This action was based on

allegations of issuing an improper mid-term cancellation of a worker's compensation insurance policy. May 2002

### **USAA Casualty Insurance Company**

9800 Fredericksburg Rd., San Antonio, TX 78288,

Agreed to pay a forfeiture of \$500.00 and agreed to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. June 2002

### **Warranty Gold, Ltd.**

7501 Hwy. 290E Suite #101, Austin, TX 78723

Paid a forfeiture of \$1,500.00 and was ordered to cease and desist from issuing vehicle service contracts in Wisconsin until it has obtained a limited certificate of authority to solicit warranty business and provide proof of financial security for

the in-force service contracts. This action was based on allegations of doing an insurance business without proper authority. June 2002

### **WEA Insurance Corporation**

P.O. Box 7338, Madison, WI 53707

Was ordered to cease and desist from changing an insured's rating basis from pool to individual as a direct consequence of the request of the insured to obtain claims data. This action was based on allegations of violating group health insurance laws. May 2002

### **Western National Mutual Insurance Company**

5350 W. 78th St., Edina, MN 55439

Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action

was based on allegations of allowing an agent to submit applications prior to appointing the agent. June 2002



## **Reminder to Agents**

Agents are required by statute to notify the OCI of a **residential** address change within 30 days. Failure to do so may result in revocation of a license due to nonpayment of the biennial regulation fee. **Relicensing requires retesting for resident agents. Retesting requires the completion of prelicensing education.**

If you have an address change, please notify the Agent Licensing Section in writing at **P.O. Box 7872, Madison, Wisconsin 53707-7872**, by fax at **(608) 264-8115**, or by e-mail at **agentlicensing@oci.state.wi.us**. Changes of address by telephone are not accepted.



## **To contact the OCI**

**Office of the Commissioner of Insurance  
121 E. Wilson Street  
P.O. Box 7873  
Madison, Wisconsin  
53707-7873**

**(608) 266-8699 (agents)  
(608) 266-3585 (general)**



**<http://oci.wi.gov>**

**(608) 264-8115 (market regulation)  
(608) 266-9935 (general)**



**agentlicensing@oci.state.wi.us  
information@oci.state.wi.us  
marketreg@oci.state.wi.us  
financial@oci.state.wi.us  
legal@oci.state.wi.us**

